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Democrats Denounce Reagan for Faulty Intelligence in Att

Aides Dispute CIA's 'Near-Destruction'

By Bob Woodward
Washington Post Staff Writer

Past and present CIA officials yesterday sharply disputed President Reagan's campaign claim on Wednesday that there was a "near-destruction of our intelligence capability" before he took office.

Aides to Reagan's CIA director, William J. Casey, said neither budget nor personnel levels were cut unduly during President Jimmy Carter's administration.

Cuts in the covert operations branch under Carter's CIA director, Adm. Stansfield Turner, briefly became an issue when agency old-timers and some others fought them. But officials said yesterday that the cuts were almost exclusively of headquarters bureaucrats and that none involved an operative or agent overseas.

A general decision to make some cuts in CIA personnel was made after the Vietnam war in 1976 and early 1977 when George Bush, Reagan's vice president, was CIA director, these officials said. This decision was executed and accelerated during the Carter administration.

But officials also said that Reagan had seen improvement over his 3½ years in office in the intelligence he receives, largely because of improvement in satellites and other

intelligence technology. In addition, one official said that morale has improved in the intelligence community under Reagan and efforts have been made to expand the so-called human intelligence or information obtained from spies.

"What he sees as president and knows about what is going on," this official said, "just makes him feel what we're doing now is much better."

Sen. Daniel Patrick Moynihan (D-N.Y.) said yesterday that this does not justify Reagan's statements because those technical improvements were set in motion in previous administrations, especially during the Carter years.

Moynihan, who is vice chairman of the Senate Select Committee on Intelligence, and several other intelligence experts yesterday questioned whether there have been improvements in intelligence gathered by humans. Senior Reagan administration officials still complain privately that that kind of intelligence is still not very good.

Noting that the president's comments about the purported intelligence failure were in response to a question about last week's terrorist bombing of the U.S. Embassy annex in Beirut, Moynihan said, "Getting inside a terrorist group is the hardest thing this government can do. It can take years and years."

As further indication that the intelligence question is becoming a political issue, Moynihan and Sen. Barry Goldwater (R-Ariz.), chairman of the intelligence committee, yesterday introduced legislation that would require that future CIA directors and deputy directors be chosen from among career civilian or military intelligence personnel.

The legislation would prevent political appointments such as those of Bush and Casey, who was Reagan's 1980 presidential campaign chairman. Both Goldwater and Moynihan said their proposal would not apply to Casey, who has been told by Reagan that he is welcome to stay as CIA director if the president is reelected.

Goldwater said in an interview two weeks ago that even though he supports Casey and believes he is doing a good job, he does not feel that someone from the political ranks should fill the post in the future.

Last spring, Goldwater became upset with Casey when he felt that Casey was not keeping the Senate intelligence committee sufficiently informed about CIA support for the mining of some Nicaraguan harbors. In an April 9 letter, Goldwater told Casey, "It gets down to one, little, simple phrase: I am pissed off!"

Two weeks ago, Goldwater said Casey is "a goddamned lovable old bastard who is shrewd and has been fantastically successful" in rebuilding the agency. Goldwater said he blames the CIA's problems more on the congressional investigations of the agency in 1975-76 than on any other single factor, including the Carter administration.

Moynihan said in an interview yesterday that after eight years on the committee, he and Goldwater "feel there is no place for partisan politics in the intelligence community . . . and the legislation is our statement and judgment of the case."

On Reagan's comments about an alleged intelligence failure in the previous administration, one current intelligence official said, "It's really a bum rap that Turner did something that hurt the agency this way." CIA personnel figures during Turner's tenure show that 820 positions were eliminated from the operations branch over two years; 17 were fired, another 154 were asked to retire one or two years early, and 649 positions were lost because of attrition.

"This was exactly the kind of getting the bureaucrats to throw their briefcases in the Potomac that Ronald Reagan advocates," the official said. Several other officials said that the Vietnam war buildup had created a bloated bureaucracy at CIA headquarters and that agents and CIA personnel abroad were being overmanaged.

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Carter Scores Reagan's CIA Cutback Charges

Denies He Helped Pave Way for Beirut Bombings; President Claims His Remarks Were Distorted

By GEORGE SKELTON and DOYLE McMANUS, Times Staff Writers

WASHINGTON—Declaring that President Reagan should "face the reality of his own responsibility," former President Jimmy Carter Thursday angrily rejected Reagan's contention that CIA cutbacks during past administrations paved the way for Beirut terrorist bombings.

The White House emphasized that Reagan was not attempting to solely blame the Carter Administration for what the President described Wednesday as "the near destruction of our intelligence capability in recent years before we came here."

President Complains

And Reagan complained to reporters during a photo session "about the way you distorted my remarks."

But Carter and other Democrats said that Reagan should not be blaming anybody except himself.

"For more than 3½ years, I have listened with disappointment, and some degree of anger, to a stream of false assertions made by President Reagan in his attempt to blame his every mistake and failure on me and others who served before him in the White House," said Carter, whose written statement was telephoned to Washington news bureaus from his office in Atlanta.

"Out of respect for the office of the President, I have tried to refrain from responding to these many innuendoes and deliberate misstatements of fact," Carter, who was beaten by Reagan in a 1980

reelection attempt, said. "However, his claim (Wednesday) that his predecessors are responsible for the repeated terrorist bombings of Americans is personally insulting and too gross in its implications to ignore."

In answering questions after a speech at Bowling Green University in Ohio, Reagan asserted that, because of changes in the CIA by past administrations, the U.S. government currently lacks the spying capabilities necessary to learn when and where terrorists will strike. There have been three terrorist attacks on major American installations in Beirut during the last 18 months, including the suicide vehicle bombing last week at the U.S. Embassy annex.

Robert Oakley, head of the State Department's anti-terrorism office, gave Reagan a preliminary report on the bombing Thursday.

White House spokesman Larry Speakes said that Oakley—who had just returned from inspecting the attack site—told Reagan that the "principal weakness" in security at the embassy annex, which had been occupied for only two months, "derived from the fact that the terrorists struck before work had been completed on all security measures."

Oakley told the President, according to Speakes, that, "on balance," the U.S. government's judgment was correct in moving embassy operations from Muslim West Beirut to the "safer" Christian sector in East Beirut.

Reagan's comment Sunday about the uncompleted security facilities—"Anyone that's ever had their kitchen done over knows it never gets done as soon as you wish it would"—drew especially pointed criticism from Carter.

The former President, in some of his harshest language about Reagan since the 1980 election campaign, said:

"This series of tragedies in the Middle East has been brought about by the President's own deeply flawed policy and inadequate precautions in the face of proven danger. His frivolous reference to tardy kitchen repairs is indicative of his refusal to face the reality of his own responsibility. Mr. Reagan should apologize for these misleading statements to the American people"

Congress Blamed

Reagan has not apologized, but the White House seemed to be trying to do the next best thing by declaring that the President did not have Carter solely in mind when referring to CIA cutbacks.

Although urging reporters "to look specifically at where the Carter-Mondale Administration carried out the (CIA) cuts," Speakes said also that the President was refer-

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ring to "the decade-long trend of a climate in Congress that resulted in inadequate funding and support for intelligence-gathering capabilities." That decade, he noted, covered two Republican Administrations also—those of Gerald R. Ford and Richard M. Nixon.

As for an anonymous White House official who told reporters Wednesday they "would not be wrong" in assuming that Reagan was blaming the Carter Administration in particular, Speakes said: "Whoever told you that didn't know what they were talking about."

Another Reagan aide, who did not want to be identified, said Thursday that the White House has become especially sensitive about the matter because the President's campaign advisers do not want the broad subject of terrorist attacks to become an issue in the presidential race. Senior White House officials also are trying to calm the controversy because CIA officials fear that their agency is about to become politicized, the aide said.

Adm. Stansfield Turner, the CIA director under Carter, charged Thursday that Reagan has "done more damage to the CIA than any President in history." He po-

liticized it. He has ruined its reputation."

During the Carter Administration, Turner said, "we did not reduce even one operative overseas What we did do was reduce some bureaucratic overhead in Washington."

However, on Wednesday a White House official had said that under Turner the CIA reduced the number of its field agents by about 600 "and switched almost totally to an emphasis on technology, rather than human" intelligence-gathering. Speakes said Thursday that this was what Reagan especially was objecting to at Bowling Green and that, during the last 3½ years, he had "reversed that trend."

CIA Officials Disagree

The Washington Post, in Friday's editions, quoted unnamed CIA officials who disputed Reagan's assertion that there had been a "near-destruction of our intelligence capability" before he took office. The officials said that neither budget nor personnel levels had been cut unduly during the Carter years and contended that no operatives or agents overseas were lost.

Zbigniew Brzezinski, Carter's national security adviser, acknowledged that CIA budget increases during the last two years of the Carter Administration went almost

entirely for electronic intelligence. "I kept fighting for more emphasis on human intelligence, but I was only partially successful," he said.

In New York, Democratic presidential candidate Walter F. Mondale—who was Carter's vice president—charged that "by saying the CIA is weak, (Reagan) encourages terrorists and our enemies around the world." Mondale said also, "This is 1984, not 1980, and (Reagan's) responsible for that (U.S.) government."

In Congress, several Democrats accused Reagan of attempting to evade responsibility for the bombings.

Sen. Daniel Patrick Moynihan (D-N.Y.), the senior Democrat on the Senate Intelligence Committee, said: "I believe an apology is in order. If none is forthcoming, a motion of censure is in order."

Sen. Gary Hart (D-Colo.) declared: "President Reagan's comments are a complete abdication of his responsibility as President. His Administration, and no one else's, is responsible for the safety of our diplomats."

But Vice President George Bush, who served as CIA director under Ford, said that "laying off a lot of people—and thus curtailing a lot of our sources on intelligence—was not good for the overall intelligence community, and I think that's what the President's trying to say."

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MONDALE CHARGES REAGAN IS EVADING BLAME IN BOMBING

Carter and Former Leaders of
C.I.A. Assail President as
Wrong on Intelligence

By HEDRICK SMITH
Special to The New York Times

WASHINGTON, Sept. 27 — Walter F. Mondale accused President Reagan today of an "inexcusable" attempt to shift the blame for last week's bombing of the American Embassy in Beirut. Earlier, the White House sought to soften Mr. Reagan's implication that the fault lay with the "near destruction of our intelligence capability" before his Administration took office.

At a news conference after his meeting in New York City with Andrei A. Gromyko, the Soviet Foreign Minister, Mr. Mondale asserted that Mr. Reagan should quit trying to pass on the blame for the incident.

"The latest statement by the President is inexcusable," Mr. Mondale said. "He should stand up and say he is responsible. By saying the C.I.A. is weak, he encourages terrorists and our enemies around the world to believe that we don't have an effective intelligence capacity, when we do."

It was one of Mr. Mondale's most blistering criticisms of the President.

Reagan Charges Distortion

In Washington, Mr. Reagan complained to reporters about "the way you distorted my remarks about the C.I.A."

The White House spokesman, Larry Speakes, said the President was referring to "reports in the media putting the blame entirely on the Carter Administration." Several reporters said they had based their articles Wednesday on guidance from Reagan White House officials.

But today Mr. Speakes said the President had been talking about "a decade-long trend and a climate in Congress" in which "human intelligence had been weakened considerably."

Rebuttal on Intelligence Cuts

He added that the President had not meant that this trend had led specifically to the bombing, although Mr. Reagan's comments had come in answer to a specific question about that incident. Two Americans and an unknown number of Lebanese died.

More broadly, several former senior intelligence officials said the cutback in overseas intelligence agents began in 1967, long before the Carter Administration. It was carried out, they said,

under Presidents Johnson, Nixon, Ford and Carter, and by 1978, the Carter White House had reversed the trend and was pushing for increases in intelligence funds.

Moreover, several officials said, there had been no intelligence failure before the Beirut bombing because warnings from terrorist groups about such an attack had been made public.

Former President Jimmy Carter, saying he had previously restrained himself in the face of "a stream of false assertions" by President Reagan, issued an unusually strong statement. It charged that Mr. Reagan's "claim yesterday that his predecessors are responsible for the repeated terrorist bombings of Americans is personally insulting and too gross in its implications to ignore."

"He only has to question his own Administration officials to determine that his statement was also completely false," Mr. Carter added. "This series of tragedies in the Middle East has been brought about by the President's own deeply flawed policy and inadequate security precautions in the face of proven danger."

"His frivolous reference to tardy kitchen repairs is indicative of his refusal to face the reality of his own responsibility," Mr. Carter went on, alluding to Mr. Reagan's likening of constructing security barriers to getting a kitchen remodeled on schedule. "Mr. Reagan should apologize for these misleading statements," Mr. Carter asserted.

Mondale Sees a Divisive Move

Mr. Mondale said it was wrong for Mr. Reagan to suggest any division between the two major political parties on the need for a strong Central Intelligence Agency and to imply that he had inherited a weakened intelligence network.

Mr. Reagan's comment came in response to a student's question about the Beirut bombing at a campaign stop at Bowling Green State University in Ohio Wednesday. As he had said previously, Mr. Reagan observed that no security "can make you 100 percent safe" and "an embassy is not a bunker."

Then he "the real problem is feeling the effect of the destruction of the agency in recent years. The effort to spy is so great that we get rid of ourselves. We did that."

Seeking

"Your big problem is we're trying to where you want to go. What is the prepared for?"

Campaigning in Saginaw, Mich., Vice President Bush, who was a Director of Central Intelligence in 1976, said today that it would be wrong to interpret Mr. Reagan's comments as laying the blame for the Beirut bombing on the Carter Administration.

"But I do believe there were cuts made in the intelligence business that were inappropriate," Mr. Bush went on. "Laying off a lot of people and thus curtailing a lot of our sources on intelligence was not good for the overall intelligence community, and I think that's what the President's trying to say."

Former intelligence directors as well as Democratic politicians took issue with Mr. Bush's implication that this began with the Carter Administration. William E. Colby, who served in a Republican Administration as Director of Central Intelligence from September 1974 to January 1976, also called Mr. Reagan "mistaken on two counts."

"The first is that we began to reduce the size of the agency in 1967," Mr. Colby said. There was a gradual decline in numbers because there was a decline in covert action, in operations that try to influence other countries and a shift to intelligence collection and analysis, he said.

"The second is that the problem in Beirut was not a failure of intelligence but a problem of putting in proper security," Mr. Colby added. Mr. Speakes said that was the burden of a report given the President today by Robert Oakley, the State Department's top specialist on terrorism.

Other senior former intelligence officials said Richard Helms and James R. Schlesinger, the Directors of Central Intelligence under Presidents Johnson and Nixon, had eliminated 1,000 to 1,500 overseas agents under a deliberate plan to scale down the agency as American involvement in Vietnam and Southeast Asia was phased out.

Senate investigations of the agency in the mid-1970's led to disclosures of assassination plots, drug experimentation with unwitting human subjects, surveillance of Americans and a string of other abuses that hastened the agency's shift away from agents to increasingly sophisticated satellite, electronic and photographic intelligence-gathering.

LEBANON/U.S.
EMBASSY ATTACK

RATHER: Over the past 24 hours, President and candidate Reagan made an effort to shift blame for lax security in the U.S. Embassy attack in Beirut. He blamed his predecessors in office, apparently trying to switch responsibility on to Jimmy Carter. White House spokesman Larry Speakes denies that. Other reactions have been swift and many. David Martin reports.

MARTIN: President Reagan today was busily backing away from his attempt to blame the latest terrorist bombing in Beirut on cuts made in intelligence operations by previous administrations. PRESIDENT\RONALD\REAGAN: I will answer your questions about the way you have distorted my remarks about the CIA.

MARTIN: The president didn't have anything to say later, but here's what he said yesterday to a student audience. REAGAN: We're feeling the effects today of the near destruction of our intelligence capability in recent years.

MARTIN: Although President Reagan didn't mention Jimmy Carter by name, the former president took offense. JIMMY\CARTER: It's personally insulting and too gross in its implications to ignore.

MARTIN: Even Vice President Bush agreed that the Carter administration can't be blamed for what happened in Beirut. VICE\PRESIDENT\GEORGE\BUSH: I don't think anyone can say that. But I do believe that there were cuts made in the intelligence business that, ah, were inappropriate.

MARTIN: Bush should know. He headed the CIA during the Ford administration when, according to two former intelligence officials interviewed by CBS News, the agency's budget reached its low point, the result of cutbacks following the pullout from Southeast Asia. But classified documents show it was Jimmy Carter and his CIA director, Stansfield Turner, who increased the budget. SEN.\DANIEL\MOYNIHAN (Select Intelligence Committee): And they rose under Mr. Carter in each of his budgets, and they have risen under Mr. Reagan in each of his budgets.

MARTIN: Despite the budget increases, Turner is remembered as the man who eliminated 800 jobs from the CIA's operations branch. Turner insists those cuts did not hurt. STANSFIELD\TURNER (former CIA director): The Carter administration did not reduce one intelligence operative overseas. We did cut back on some of the bureaucratic fat in Washington.

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Reagan Ties Beirut Attack to Curb on Intelligence

Says Predecessors Nearly Ruined CIA

By David Hoffman
Washington Post Staff Writer

BOWLING GREEN, Ohio, Sept. 26—President Reagan today blamed the suicide van-bomb attack on the U.S. Embassy annex in Beirut that killed two Americans last week on "the near destruction" of U.S. intelligence capability "before we came" into office in 1981.

Answering a student's question after a campaign speech at Bowling Green State University here, Reagan appeared to be trying to shift responsibility for the attack away from his administration and onto that of President Jimmy Carter.

Reagan did not mention Lebanon in his prepared speech, but a uni-

versity senior, Peggy Fitzgerald, asked him about plans to beef up security at other U.S. embassies after the attack in Beirut last Thursday, the third such fatal bombing attack against U.S. installations in Lebanon in 17 months.

Reagan responded by saying he would improve protection for other embassies.

He added, "We're feeling the effects today of the near-destruction of our intelligence capability in recent years before we came here." He said there was a public attitude during those years that "spying is somehow dishonest and let's get rid of our intelligence agents." He then added, "And we did that to a large extent."

Reagan did not elaborate, but a White House aide said "you would not be wrong" to assume that he was referring to the efforts of Carter's intelligence director, Adm. Stansfield Turner, to remove sev-

eral hundred intelligence operatives, largely in covert operations, after critical congressional investigations into the Central Intelligence Agency in the 1970s.

Sen. Daniel Patrick Moynihan (D-N.Y.), vice chairman of the Senate Select Committee on Intelligence, angrily assailed Reagan's statement about intelligence cuts, saying it "is not only false, it is reckless." He also suggested Reagan was attempting to politicize the agency by his statements and suggested that "an apology is in order. If none is forthcoming, a motion of censure will be in order."

According to congressional intelligence sources, administration officials under President Gerald R.

Ford proposed cutbacks in personnel at the CIA that were implemented in part in 1977 during the first year of the Carter presidency. At that time about 800 employees were moved, told to retire or, in a few cases, fired.

But since fiscal year 1978 there have been substantial annual increases in funding for the CIA. In funding and staffing the agency is well above where it was before the 1977 cuts, congressional sources said.

Reagan's effort to shift blame to previous administrations for the intelligence failure in Lebanon followed his comment Sunday that incomplete security arrangements in Beirut were similar to an unfinished kitchen remodeling job.

That remark drew sharp criticism from Democratic presidential nominee Walter F. Mondale, who said Reagan has let terrorists in Lebanon "humiliate us and push us around and kill our people."

Reagan, who was enthusiastically received by the students who attended, said today that in fighting terrorism "your biggest protection is to—and we're trying to rebuild our intelligence to where you'll find out and know in advance what the target might be and be prepared for it."

"Let me call to your attention what the real choice comes down to. Is there any security that can make you 100 percent safe against a suicide who is intent on bringing in that destruction at the cost of his

own life, as they have done in these bomb-type explosions? . . ."

Reagan also criticized Mondale without mentioning him by name on the eve of the Democratic nominee's meeting Thursday with Soviet Foreign Minister Andrei A. Gromyko.

"Some propose unilateral disarmament—we disarm in the hope the other side will follow," Reagan said. "Well, there are great saints and great sinners among us. Historically, unilateral disarmament has never worked, it has only encouraged aggressors."

Mondale has proposed temporary moratoriums on weapons development that he would put into place early in his term to try and induce the Soviets into similar measures.